

3 SOUTHERN DISTRICT OF NEW YORK

4 Case No. 13-13030-ma

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6 | In the Matter of:

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**8 RESIDENTIAL CAPITAL, LLC, et al.,**

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## 10 | Debtors.

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14 United States Bankruptcy Court

15 One Bowling Green

16 New York, New York

17

18 January 25, 2016

19 | 9:03 AM

20

21 | BEFORE:

22 HON. MARTIN GLENN

23 U.S. BANKRUPTCY JUDGE

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2 (CC: Doc. No. 9224) Trial Re: Regarding Remaining Portion of  
3 Claim Number 1083 filed by Elda and Maria Thompson

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Transcribed by: Hana Copperman

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2 A P P E A R A N C E S :

3 MORRISON & FOERSTER LLP

4 Attorneys for the ResCap Borrower Claims Trust

5 250 West 55th Street

6 York, NY 10019

7

8 BY: JORDAN A. WISHNEW, ESQ.

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11 ELDA M. THOMPSON (TELEPHONICALLY)

12 MARIA M. THOMPSON (TELEPHONICALLY)

13 Parties Pro Se

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1 P R O C E E D I N G S

2 THE COURT: Please be seated. We're here in  
3 Residential Capital, 12-12020. This is the scheduled trial  
4 with respect to the ResCap Borrower Liquidation Trust's  
5 objection to claim number 1083 filed by Elda M. and Maria M.  
6 Thompson.

7 This trial was previously scheduled for another date,  
8 and was rescheduled for today.

9 Ms. Thompson, I understand you're on the telephone.  
10 Is that correct?

11 MS. E. THOMPSON: Yes, I am.

12 THE COURT: Because there are two Thompson, are you  
13 both on the phone?

14 MS. E. THOMPSON: Well, my mother's here as well.  
15 She's --

16 MS. M. THOMPSON: Yes, I am.

17 THE COURT: All right. I need --

18 MS. E. THOMPSON: She's here as well.

19 THE COURT: Identify yourselves for the record. Go  
20 ahead, Ms. Thompson.

21 MS. E. THOMPSON: Elda M. Thompson.

22 MS. M. THOMPSON: Maria M. Thompson.

23 THE COURT: Okay. How come you're not in court? This  
24 is the trial. You have to be here.

25 MS. E. THOMPSON: Well, we received a letter that it

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1 stated that it was on a phone. By phone.

2 THE COURT: You didn't receive --

3 MS. E. THOMPSON: That the --

4 THE COURT: You -- you --

5 MS. E. THOMPSON: The trial was going to be by phone.

6 THE COURT: You didn't -- you --

7 MS. E. THOMPSON: We received it Friday.

8 THE COURT: You didn't receive a letter saying the  
9 trial was by phone.

10 Who sent you a letter saying --

11 MS. E. THOMPSON: Is there another Thompson?

12 THE COURT: -- the trial was by telephone?

13 MS. E. THOMPSON: Morrison & Foerster. It says:  
14 "Notice regarding telephonic participation in the trial  
15 scheduled for January 25, 2016."

16 MR. WISHNEW: Your Honor, that's the same no --

17 MS. E. THOMPSON: And my names --

18 THE COURT: Mr. Wishnew?

19 MR. WISHNEW: Your Honor, that's the same notice we  
20 send out with every agenda.

21 THE COURT: Well, you shouldn't have told them that  
22 they could participate by telephone.

23 MR. WISHNEW: I'm sorry?

24 THE COURT: You shouldn't have told them that they  
25 could participate by telephone.

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1 MR. WISHNEW: It's a general notice sent to all  
2 parties, Your Honor.

3 THE COURT: But you sent it to the Thompsons.

4 MR. WISHNEW: But the Thompsons were well aware of  
5 that. They never inquired about telephonic appearance, Your  
6 Honor.

7 THE COURT: Yes. That's correct. Because I got an  
8 inquiry this morning from my courtroom deputy that Thompsons  
9 wanted to call in. They had not made previous arrangements to  
10 participate by telephone.

11 Ms. Thompson, you can't participate -- you can't --  
12 trials are in court, not by telephone. The Trust has brought a  
13 witness from Iowa to be here.

14 MS. E. THOMPSON: We were ready to go, but there's  
15 another problem. I'm in a wheelchair, and there's a lot of  
16 snow.

17 THE COURT: There's a lot of snow here too, and I was  
18 in early this morning.

19 MS. E. THOMPSON: Okay.

20 THE COURT: All right.

21 MS. E. THOMPSON: You guys -- you don't have to travel  
22 with a wheelchair.

23 THE COURT: All right. We're going forward.

24 MS. E. THOMPSON: Through the snow that's on the  
25 sidewalk.

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1 THE COURT: Despite my usual --

2 MS. E. THOMPSON: We received a letter that it was by  
3 phone. I --

4 THE COURT: Stop. Ms. Thompson. Quiet. Quiet.

5 Despite my very clear direction that trials takes place in  
6 court -- the Trust has brought its witness from -- as I  
7 understand it from Iowa. Is that correct?

8 MR. WISHNEW: Correct, Your Honor. She got onto a  
9 plane yesterday at 6 a.m. and arrived last evening at 9 p.m.

10 THE COURT: We're going forward with the trial.

11 MS. E. THOMPSON: Okay.

12 THE COURT: Ms. Thompson, the only issue that remains  
13 for this trial, because -- let me back up.

14 MS. E. THOMPSON: Is their interest rate.

15 THE COURT: Just a second. Okay.

16 On July 1, 2015 the Court entered its memorandum  
17 opinion and order sustaining in part and overruling in part the  
18 ResCap Borrower Claims Trust's seventy-sixth omnibus objection  
19 to claims, no liability borrower claims, as to claim number  
20 1083 filed by Maria M. and Elda M. Thompson.

21 That opinion is at ECF docket number 8823.

22 In that opinion, that order, the Court sustained the  
23 Trust's objection as to all claims except for the Thompsons'  
24 claim regarding -- reading from page 31 of the opinion --

25 "As to the Thompsons' remaining allegation that GMACM

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1 charged them a higher interest rate than what was stated on the  
2 billing statements, the objection is overruled. The Thompsons  
3 argue that their monthly principal and interest payments were  
4 \$1,227.71 and that the annual interest rate was 5.990 percent  
5 with a margin of 2.75 percent. The Thompsons presented a  
6 'forensic review report' that indicates the annual percentage  
7 rate actually charged was 6.6554 percent, rather than 5.990  
8 percent, and that the margin was 2.75 percent. The Trust  
9 responds that the Thompsons' mortgage is an adjustable rate  
10 mortgage and that GMACM 'correctly charged, collected and  
11 applied payments in accordance with' the note, mortgage, and  
12 letters reflecting the adjustable interest rate terms that were  
13 sent to the Thompsons in June and December each year from 2009  
14 through 2012. The Trust, however, has failed to provide the  
15 Court with copies of these letters."

16 So that's the -- and then on page 32 of the opinion I  
17 said:

18 "But without copies of the letters notifying the  
19 Thompsons of the change in their interest rate, there are  
20 disputed issues of fact whether GMACM properly calculated,  
21 applied, and charged interest on the Thompsons' Loan account.  
22 As such, the Trust has not met its burden of proof and, to that  
23 extent only, the Objection is overruled without prejudice."

24 That's at page 32 of prior memorandum, opinion, and  
25 order.

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1                   So the only issue for today's evidentiary hearing is  
2 whether the Trust -- is whether GMACM properly charged the  
3 Thompsons the interest rate adjusted as the Trust says.

4                   Ms. Thompson, what evidence do you have to offer that  
5 they did not correctly charge you interest on your loan?

6                   MS. E. THOMPSON: I sent in the evidence in October,  
7 when it was requested for the evidence to turn in, which I  
8 turned in the letters from 2007 to about 2013. And I even have  
9 current letters that it -- it always stated at 5.99. The only  
10 time it went to 6 it was during December, and in the same month  
11 it went back to 5.999.

12                  THE COURT: What evidence are you specifically  
13 referring to, Ms. Thompson?

14                  MS. E. THOMPSON: The letters. The letters that I  
15 sent.

16                  THE COURT: Don't tell me letters. You've got to be  
17 very specific about what exhibits you're offering.

18                  MS. E. THOMPSON: Okay. The monthly statements that  
19 they have sent stated that their interest rate was 5.99.

20                  THE COURT: Ms. Thompson, if you're going to offer  
21 evidence. you have to be very specific about what evidence  
22 you're offering. What letters are you offering in evidence?

23                  MS. E. THOMPSON: Okay. Do you have the file that I  
24 sent the evidence?

25                  THE COURT: I have all of the documents here. So tell

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1 me specifically what --

2 MS. E. THOMPSON: Okay.

3 THE COURT: -- what exhibits you're offering.

4 MS. E. THOMPSON: The letters that are in my file that  
5 I have sent for the evidence clearly state that the charges  
6 were 5.99, not 6.654, which it runs from 2007 to 2013. I have  
7 sent all the copies.

8 I have sent all the copies stating, for every single  
9 month, and even the copies that I had requested from the  
10 mortgage company asking for the itemized bill they -- it still  
11 stated at 5.99 percent.

12 Every single letter that I have sent them, they -- the  
13 amount of the interest rate. And even on their own testimony,  
14 which the young lady is giving, she also state that it was at  
15 5.99 percent. And all the letters that they have sent me in  
16 their evidence also state that it was 5.99.

17 So the forensic audit stated that it was at 6.66 --  
18 yeah -- with the interest rate. So it was 6 and change.

19 And that's the whole argument. They never send a  
20 letter stating that it was 6.6554.

21 THE COURT: Well, your forensic account --

22 MS. E. THOMPSON: They, you know, they working --  
23 okay.

24 THE COURT: Ms. Thompson, the forensic accounting  
25 report is not in evidence, and it's hearsay. It can't be

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1 introduced in evidence.

2 If you've got letters that you say show a different  
3 interest rate --

4 What we're going to do, Mr. Wishnew, while it's highly  
5 irregular, we're going to proceed in this way, because I'm  
6 going to -- I want the evidence in the record. And while the  
7 ultimate burden of proof remains with the Thompsons, I'm going  
8 to have the Trust go forward first with its evidence to  
9 establish what interest rate the Thompsons were charged on the  
10 loan, when it changed, what notice the Trust was given.

11 So we're going to go forward, because the Thompsons do  
12 not have an attorney, and the Court wants to be satisfied that  
13 the evidence establishes what interest rate the Thompsons were  
14 charged on their loan, when the interest rate changed, if at  
15 all, and what, if any, notice the Thompsons were given  
16 regarding the change in interest rates.

17 So, Ms. Thompson, what we're going to proceed to do --

18 Mr. Wishnew, call your first witness, and let's go  
19 through and introduce your exhibits.

20 MR. WISHNEW: Absolutely.

21 THE COURT: Okay?

22 MR. WISHNEW: Thank you. Your Honor, Jordan Wishnew,  
23 Morrison & Foerster, for the ResCap Borrower Claims Trust. I'd  
24 like to call to the stand Ms. Lathrop

25 THE COURT: Okay. Ms. Lathrop, come on up, please.

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1           When you get up to the witness stand, if you would  
2 raise your right hand you'll be sworn.    Okay?

3           (Witness sworn)

4           THE COURT:  All right.  Thank you, Ms. Lathrop.

5 Please have a seat.

6           All right.  Let's make sure.  I want to make sure the  
7 Thompsons are able to hear your testimony.  So just pull the  
8 microphone a little bit over in front of you.  Thank you very  
9 much.

10           Mr. Wishnew, go ahead.

11           MR. WISHNEW:  Thank you, Your Honor.

12 DIRECT EXAMINATION

13 BY MR. WISHNEW:

14 Q.  Good morning, Ms. Lathrop.

15 A.  Good morning.

16 Q.  My name is Jordan Wishnew.  I represent the ResCap Borrower  
17 Claims Trust.  We're here today in connection with a claim  
18 objection that Borrower Trust filed against Elda and Maria  
19 Thompson, former borrowers of GMAC Mortgage, LLC.

20           Judge Glenn has directed that we have the opportunity to  
21 ask you some questions concerning GMAC Mortgage's records  
22 regarding the Thompsons' loan.  I'd like to start with some  
23 background information.

24           If you could state your full name for the record.

25 A.  Sara Lathrop.

1 Q. And could you briefly describe your educational background?

2 A. I have a BA in business marketing that I got from Upper  
3 Iowa University.

4 Q. Okay. Would you also just briefly describe your employment  
5 history with GMAC Mortgage?

6 A. I started in June, 2006 as a default associate in the call  
7 center. I worked my way up to the quality assurance team. I  
8 was there for about a year. From there I was a default call  
9 center supervisor. I did that for two and a half years. Moved  
10 into loss mitigation short sales and liquidation. Did that for  
11 approximately four months. And then moved into a triage  
12 management position dealing with loss mitigation, loan  
13 modification workouts.

14 Q. Okay. And what is your current position?

15 A. I'm currently a senior analyst for the ResCap Borrower  
16 Claims Trust.

17 Q. Okay. And what is your responsibility in that position?

18 A. I help with the reconciliation of the different claims that  
19 have been filed against the estate.

20 Q. Okay. As part of your employment with the Borrower Trust,  
21 do you have access to GMAC Mortgage's business records?

22 A. Yes.

23 Q. Okay. And what kind of records do you generally have  
24 access to?

25 A. I have access to the servicing notes that were handled

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1 within the system as well as payment history, documents that  
2 were sent to the borrower as well as documents that were  
3 received from, and then -- as well as some internal information  
4 that was dealt with between departments.

5 Q. And those records that you referenced, were maintained  
6 electronically by the debtors?

7 A. Yes.

8 Q. And what were some of the systems that were used to house  
9 those records?

10 A. Fiserv, also known as Loan Service 1 (ph.). That was the  
11 main system that housed, and that's how we incorporated all of  
12 the information for the loan. So payment history as well as  
13 recording documents being received and sent, conversations,  
14 internal documents, payment history, all that was handled  
15 through there.

16 I also have access to Looking Glass, which is for documents  
17 or image that were received from the borrower, Xnet, which is  
18 where documents or image that were sent to the borrower.  
19 Looking Glass also has documents that were sent to the  
20 borrower. LPS, which is our system of record for the  
21 foreclosure attorney. That's the majority.

22 Q. Okay. Thank you very much. And, generally, were documents  
23 entered into GMAC Mortgage's servicing system at or near the  
24 time when information -- I'm sorry -- at or near the time, by  
25 someone who had knowledge of the preparation or receipt of that

1 information?

2 A. They were usually entered in at the time that they were  
3 prepared or sent, but depending on the time of day it could  
4 have been delayed twenty-four hours.

5 Q. Okay. So someone, let's say, spoke with a borrower on  
6 January 1st. There would be a record in the servicing notes  
7 either January 1st or January 2nd, in other words.

8 A. Yup. Unless, of course, it was, like, a Friday end of day,  
9 then it may be delayed until Monday.

10 Q. Okay. Thank you. Turning to the Thompsons' loan, are you  
11 familiar with this loan?

12 A. Yes.

13 Q. Okay. And are you aware the Thompsons filed a proof of  
14 claim against GMAC Mortgage in the ResCap Chapter 11 cases?

15 A. Yes.

16 Q. Okay. And are you aware that Borrower Claims Trust filed  
17 an objection against the allowance of the Thompsons' proof of  
18 claim in these cases?

19 A. Yes.

20 Q. Okay. And have you reviewed that objection?

21 A. Yes, I have.

22 Q. And when did you review the objection?

23 A. I began at the beginning of last year, beginning of 2015.

24 Q. Okay. And were you asked to execute any declarations in  
25 connection with the objection?

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1 A. Yes.

2 Q. Okay. There's a binder of exhibits before you, which is  
3 marked Thompson Exhibits BT1-BT17. Would you mind putting that  
4 in front of you? Okay.

5 There's a document designated as Exhibit BT-A. Do you  
6 recognize this document?

7 A. Yes.

8 Q. And have you seen it before today?

9 A. Yes, I have.

10 Q. And what is this document?

11 A. It is my declaration.

12 Q. And what does this declaration concern?

13 A. The Thompson file.

14 Q. Okay. And are you generally familiar with the content of  
15 this declaration?

16 A. Yes, I am.

17 Q. Could you just briefly describe the statements you've made  
18 in this declaration?

19 A. My statements --

20 THE COURT: Just stop for just a second.

21 Ms. Thompson, do you have the exhibits in front of  
22 you? These were served on you.

23 MS. E. THOMPSON: No, I don't have them in front of  
24 me.

25 THE COURT: Well, then get them in front of you. You

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1 were served with a copy of the binder.

2 MS. E. THOMPSON: That's what I'm looking --

3 THE COURT: If you want to look at --

4 MS. E. THOMPSON: I didn't get a binder.

5 THE COURT: Mr. Wishnew?

6 MR. WISHNEW: Prior to the November hearing she would  
7 have been served with the binder of our exhibits.

8 MS. E. THOMPSON: But I am listening.

9 THE COURT: Go ahead, Mr. Wishnew.

10 MR. WISHNEW: Thank you, Your Honor.

11 Q. And, to your knowledge, is everything in this declaration  
12 true and correct?

13 A. Yes.

14 Q. Okay. And when was this declaration prepared?

15 A. Give me one second. I can't remember the specific date.

16 THE COURT: On page 9 it's dated October 6, 2015.

17 THE WITNESS: Thank you, Your Honor.

18 THE COURT: All right.

19 A. October 6, 2015.

20 Q. Thank you. And do you believe everything in the  
21 declaration to be true and accurate?

22 A. Yes, I do.

23 Q. Okay.

24 MR. WISHNEW: Your Honor, I'd like to move this  
25 declaration into evidence as BT-A.

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1 THE COURT: All right. BT-A is in evidence.

2 (Sara Lathrop's declaration dated 10/6/15 was hereby received  
3 into evidence as BT's Exhibit A, as of this date.)

4 Q. Okay. Turning now, Ms. Lathrop, to Exhibit BT-1.

5 THE COURT: What I -- I want to -- I've admitted it  
6 into evidence, and that's going to do -- the Court's ruling.  
7 But when you get to the substantive, when you want to cover  
8 substantive things, I do want you to do it on the record, even  
9 though it's in the declaration. Okay?

10 MR. WISHNEW: Understood, Your Honor.

11 THE COURT: All right.

12 MR. WISHNEW: Absolutely.

13 THE COURT: Go ahead.

14 Q. Okay. So turning to BT-1, do you recognize this document?

15 A. Yes.

16 Q. And what is this document?

17 A. This is the payment history and loan servicing notes for  
18 the Thompson loan.

19 Q. Okay. And these were maintained in GMAC Mortgage's  
20 records?

21 A. Yes. It was maintained through the LoanServ system, and  
22 then we were able to access them through our business object  
23 system.

24 Q. Okay. And what time period do these servicing notes cover?

25 A. Give me one second. It covers approximately December, 2005

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1 through the tran -- the servicing transfer to Ocwen in  
2 February, 2013.

3 Q. Okay. And even though I believe you mentioned this in the  
4 outset, what type of information -- I'm sorry.

5 As part of GMAC Mortgage's regular business practices, what  
6 types of information would have been maintained in the  
7 servicing notes?

8 A. The servicing notes would have had any letters that were  
9 sent or received. It would have had conversations. It also  
10 would have had just any internal information as far as work  
11 done on the account. And then the payment history would have  
12 been reflected also.

13 Q. Okay. And when a letter is sent to a borrower, how is it  
14 recorded?

15 Let me rephrase.

16 When a letter is recorded -- I'm sorry.

17 When a letter is sent to a borrower, how is it recorded in  
18 the GMAC Mortgage's business records?

19 A. When it is sent to the borrower it would be recorded the  
20 same day, and it would be listed with a generic name saying  
21 what type of letter was sent the majority of the time.

22 Q. Okay.

23 MR. WISHNEW: Your Honor, I'd like to introduce the  
24 Thompson servicing notes and payment history into evidence,  
25 marked as Exhibit BT-1.

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1 THE COURT: Ms. Lathrop, let me ask you. Some of the  
2 entries are redacted or blacked out. Can you tell me what was  
3 blacked out?

4 THE WITNESS: Looking at it, the majority of the  
5 information blacked out is post the Ocwen transfer, as we don't  
6 have access or approval from Ocwen to be able to submit their  
7 information, as they're not our company. That transfer,  
8 technically, is February 15, 2013. So I believe all the  
9 information redacted from these notes is post that.

10 THE COURT: Well, let me look. I'm looking at page  
11 151 and 162.

12 THE WITNESS: All right. Let me get there.

13 THE COURT: There are redactions on that page that  
14 relate to July, 2007.

15 MR. WISHNEW: Your Honor, may I ask one question of  
16 the witness?

17 THE COURT: Not yet. Let her find what I'm looking  
18 at.

19 THE WITNESS: One --

20 THE COURT: Go ahead, Ms. --

21 THE WITNESS: It appears that it would be related to  
22 the foreclosure records that would have been conversations  
23 between the foreclosure attorney and GMACM.

24 As the account shows, it was active foreclosure, and  
25 that information must have been deemed as attorney-client.

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1 THE COURT: Go ahead, Mr. Wishnew.

2 MR. WISHNEW: No need for the question, Your Honor.

3 Ms. Lathrop addressed the point I wanted to try and refresh her  
4 on.

5 THE COURT: Okay.

6 MS. E. THOMPSON: Excuse me. May I say something?

7 THE COURT: Not yet. Go ahead, Mr. Wishnew.

8 MR. WISHNEW: Thank you, Your Honor.

9 THE COURT: All right. Exhibit --

10 Go ahead, Ms. Thompson. What do you want to say?

11 MS. E. THOMPSON: Well, the -- all the foreclosures  
12 that were tried from 2007 to 2016, because they tried again,  
13 all were dismissed by the court. And I just received a copy  
14 on, yup, Friday, that all of them were -- how do you say --  
15 because of lack of prosecution they were dismissed by the  
16 Court. So there's actually no foreclosure.

17 THE COURT: Okay. The objection is overruled. BT-1  
18 is in evidence.

19 Go ahead, Mr. Wishnew.

20 (Thompson servicing notes and payment history was hereby  
21 received into evidence as BT's Exhibit 1, as of this date.)

22 MR. WISHNEW: Thank you very much, Your Honor.

23 BY MR. WISHNEW:

24 Q. Ms. Lathrop, if you could take a look at the exhibit marked  
25 BT-2. Do you recognize this document?

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1 A. Yes.

2 Q. And what is this document?

3 A. The adjustable rate note for the Thompson loan.

4 Q. Okay. And have you seen it before today?

5 A. Yes, I have.

6 Q. And when is it dated?

7 A. It is dated June 25, 2005.

8 Q. Okay.

9 MR. WISHNEW: Your Honor, I'd like to introduce the  
10 note into evidence marked as BT-2.

11 THE COURT: All right. BT-2 is in evidence.

12 (Adjustable rate note for the Thompson loan was hereby received  
13 into evidence as BT's Exhibit 2, as of this date.)

14 Q. Ms. Lathrop, is the Thompson loan governed by an adjustable  
15 interest rate?

16 A. Yes, it is.

17 Q. And how do you know this?

18 A. It is -- well, the loan document itself is labeled as  
19 adjustable rate note, as well as Section 4 of the note states  
20 the interest rate and monthly payment changes.

21 Q. Okay. And what was the initial interest rate under the  
22 note?

23 A. The initial interest rate was -- give me one second to find  
24 it -- 5.99.

25 Q. Okay. And how long did this initial interest rate last?

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1 A. The first payment change was set as August of 2008.

2 Q. Okay. And --

3 THE COURT: Where do I find that?

4 THE WITNESS: That is listed under Section 4(a).

5 THE COURT: Thank you.

6 THE WITNESS: Thank you.

7 Q. Okay. And does the note indicate how often the interest  
8 rate could adjust?

9 A. Under Section 4(b) it states that it could adjust every six  
10 months.

11 Q. Okay. Does the note indicate how the interest rate was  
12 calculated on each change date?

13 A. Yes. Under Section 4(c) of the note -- and I'll just read  
14 this verbatim. It says:

15 "Before each change date the noteholder will calculate my  
16 new interest rate by adding 2.75 percent points to the current  
17 index, and the noteholder will then round the result of the  
18 addition to the nearest one-eighth of 1 percent or 1.25  
19 percent."

20 Q. Okay. Just to correct the record, was that .125 percent?

21 A. Yes. I'm sorry.

22 Q. That's okay.

23 A. .125.

24 Q. Thank you. And is there a minimum interest rate on this  
25 loan?

1 A. Yes, there is.

2 Q. And what is that rate?

3 A. Under Section 4(d) of the note it states that the interest  
4 rate will no longer -- will not be less than 5.99 percent.

5 Q. Thank you very much. And is there a maximum interest rate  
6 on the loan?

7 A. Yes. Under the same section it states 11.99 percent as the  
8 ceiling.

9 Q. Okay. And under the terms of the note, what was the  
10 initial monthly payment?

11 A. Under Section 3(b), labeled "Payments of the Mortgage  
12 Note", it states that the principal and interest payment would  
13 be \$1,227.77.

14 Q. Okay. Thank you. During your review of the Thompsons'  
15 claim, did you confirm that this monthly payment was the  
16 correct amount based on the interest rate of 5.99 percent?

17 A. Yes.

18 Q. And how did you confirm this?

19 A. I reviewed what was listed in the payment history as  
20 payments that posted on the account, and those payments  
21 matched, accordingly, with the adjustable rate note.

22 Q. Okay. I'd like to turn your attention to Exhibit BT-3.

23 THE COURT: Before you do that, Mr. Wishnew.

24 MR. WISHNEW: Sure.

25 THE COURT: When the interest rate would adjust in

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1 accordance with the terms of the note, what, if any, notice was  
2 required to be given to the borrower?

3 THE WITNESS: A letter would be sent out forty-five  
4 days prior to the date rate change --

5 THE COURT: I'm looking --

6 THE WITNESS: -- would take effect.

7 THE COURT: I'm looking at paragraph 4(f), "Notice of  
8 Changes". Is that the provision that deals with the notice  
9 that's supposed to be required to the borrower?

10 THE WITNESS: Yes, sir.

11 THE COURT: All right. And just tell me again, when  
12 would notice of the change be sent?

13 THE WITNESS: According to Section 4(b) of the note,  
14 it says:

15 "The noteholder will deliver or mail a notice of  
16 changes in my interest rate and the amount of my monthly  
17 payment before the effective date of any change. The notice  
18 will include information required by law to be given to me and  
19 also the title and telephone number of a person to answer  
20 questions I may have regarding the notice."

21 MR. WISHNEW: Okay. Ms. Lathrop, was that 4(b) or  
22 4(f)?

23 THE WITNESS: 4(f).

24 MR. WISHNEW: Thank you.

25 THE COURT: Go ahead, Mr. Wishnew.

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1 MR. WISHNEW: Thank you, Your Honor.

2 BY MR. WISHNEW:

3 Q. Ms. Lathrop, if you can turn to Exhibit BT-3. Do you  
4 recognize this document?

5 A. Yes.

6 Q. And can you describe this document?

7 A. This is a amortization schedule that we created through  
8 myAmortizationChart.com to try and validate that the correct  
9 interest rate was recorded on the loan.

10 Q. Okay. And is it the ordinary business practice of the  
11 Borrower Trust to use public amortization calculators for this  
12 purpose?

13 A. Yes. It's one of our only real tools to be able to  
14 validate.

15 Q. Okay. And what is the monthly payment listed on this  
16 schedule?

17 A. It shows it as \$1,227.76.

18 Q. Okay. And that's in the box marked "Payment Summary" on  
19 the top of the first page?

20 A. Yes.

21 Q. Okay.

22 MR. WISHNEW: Your Honor, I'd like to introduce the  
23 amortization schedule into evidence.

24 THE COURT: Exhibit BT-3 is in evidence.

25 (Amortization schedule was hereby received into evidence as

1 BT's Exhibit 3, as of this date.)

2 MR. WISHNEW: Thank you, Your Honor.

3 Q. Ms. Lathrop, let's turn to the first time the Thompsons'  
4 interest rate changed pursuant to the note's terms. Did the  
5 debtors ordinarily communicate a rate change to a borrower?

6 A. Yes.

7 Q. And how did they do that?

8 A. Through a letter that was sent to the borrower prior to the  
9 date rate change.

10 Q. Okay. And how often did the debtor send these letters to  
11 the Thompsons?

12 A. Under their mortgage note, it stated that it was going to  
13 change every six months, so the letter would be mailed out to  
14 them forty-five days prior to the date rate change.

15 Q. And did the debtors send these rate change letters even if  
16 the rate did not actually change?

17 A. Yes.

18 Q. Okay. If I can ask you to take a look at the exhibit  
19 marked BT-4. Do you recognize this document?

20 A. I do.

21 Q. And what is this document?

22 A. This is the first date rate -- this is the first interest  
23 rate change letter that was mailed to the Thompsons.

24 Q. Okay. And was this document maintained in GMAC Mortgage's  
25 systems of record?

1 A. Yes, it was.

2 Q. Specifically, which system?

3 A. This was housed in our Xnet system.

4 Q. Okay. And is this a business record that was maintained in  
5 the ordinary course of GMAC Mortgage's business?

6 A. Yes, it was.

7 Q. Okay. What information is contained in this letter?

8 A. This letter just states the upcoming rate change. This is  
9 the first one to occur for the Thompsons.

10 Q. Um-hum.

11 A. So this just records what the new interest rate was being  
12 based off of as far as what the index was along with the margin  
13 of change that was set within accordance of the mortgage note  
14 and the effective date of the change.

15 Q. Okay. And did the interest rate change on the Thompsons'  
16 loan?

17 A. The interest rate slightly changed. It went from 5.99  
18 percent to 6 percent.

19 Q. Okay. Thank you. And is the mailing of this letter  
20 reflected in GMAC Mortgage's records?

21 A. Yes. It's in the servicing notes.

22 Q. Okay. Would you mind pointing me -- I think the servicing  
23 notes are at BT-1. Can you point me to the specific spot in  
24 the servicing notes that you're referring to?

25 A. Yup. Just give me one second to get there.

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1 MS. E. THOMPSON: Oh, everything organized.

2 A. I show it on page 95 of the servicing notes.

3 THE COURT: Is this 95 of 162?

4 THE WITNESS: Yes, sir. Yes, Your Honor.

5 THE COURT: Okay.

6 A. It is dated June 24th -- oh, I apologize, I'm in 2011.

7 Let me go back to 2008.

8 The correct page for the first letter from 2008 is  
9 actually page 135 of 162. It's dated June 20th, 2008 at the  
10 top of that page.

11 THE COURT: Okay.

12 Q. Okay. And the transaction message, this is the first line  
13 on 135, where the transaction message reads: "ARM change  
14 notice scheduled"?

15 A. Yes.

16 Q. Okay.

17 A. That's where we requested the change, though the actual  
18 note for it showing it being mailed out is on page 134 of 162,  
19 where it says: "ARM notice sent by mail-merge".

20 Q. Thank you very much.

21 THE COURT: I'm sorry. Just point out to me where on  
22 134 that was?

23 THE WITNESS: On 134, it's at the bottom of the page.

24 THE COURT: The last entry on the page?

25 THE WITNESS: The very last one for Renee Davidson.

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1 THE COURT: For June 24th, 2008?

2 THE WITNESS: Yes, sir.

3 THE COURT: "ARM notice sent by mail-merge."

4 THE WITNESS: And that says "RD/ARMS".

5 THE COURT: What does that mean?

6 THE WITNESS: I would just be an abbreviation for it  
7 being the ARM notice letter for the --

8 THE COURT: ARM is adjustable rate mortgage?

9 THE WITNESS: Yeah.

10 THE COURT: Okay. Go ahead, Mr. Wishnew.

11 MR. WISHNEW: Thank you, Your Honor. Your Honor, I'd  
12 like to introduce into evidence Exhibit BT-4.

13 THE COURT: Exhibit BT-4 is in evidence.

14 (First interest rate change letter was hereby received into  
15 evidence as BT's Exhibit 4, as of this date.)

16 MR. WISHNEW: Thank you, Your Honor.

17 BY MR. WISHNEW:

18 Q. Ms. Lathrop, if I could turn your attention to Exhibit  
19 BT-5; specifically the third page of that exhibit. Can you  
20 generally describe what this document is?

21 A. This is an excerpt from The Wall Street Journal.

22 Q. Okay.

23 A. Dated June 17th, 2008.

24 Q. Okay. And on the left-hand page of the third -- sorry,  
25 the left-hand side of the third page, there's a heading marked

1 "Borrowing Benchmarks"?

2 A. Yes, sir.

3 Q. Okay. And beneath that heading, within the left-hand side  
4 of the third page, is there a specific section that is relevant  
5 to our discussion today?

6 A. Yes. According to the mortgage note, we had to base the  
7 margin off of the LIBOR that was provided.

8 Q. Um-hum.

9 A. So under the London Interbank Offered Rate, or LIBOR, it's  
10 the middle -- bottom middle of that section of borrowing  
11 benchmarks, it lists under the six-month section of that, the  
12 interest rate margin that we put for the Thompson loan.

13 Q. Okay. And that's 3.24 percent?

14 A. Yes, sir.

15 Q. Thank you very much.

16 MR. WISHNEW: Your Honor, I'd like to -- excuse me.  
17 I'd like to introduce Exhibit BT-5 into evidence.

18 THE COURT: Just explain for me, Ms. Lathrop, what's  
19 the six-month benchmark?

20 THE WITNESS: The six-month?

21 THE COURT: Yes.

22 THE WITNESS: According to the Thompson's note, we  
23 had --

24 THE COURT: Yes, but what is it? I'm having trouble  
25 reading it.

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1 THE WITNESS: Oh, I'm sorry. It is a little fuzzy,  
2 isn't it? The -- what is the borrowing benchmarks?

3 THE COURT: Yes.

4 THE WITNESS: Is that the question? That would be  
5 what is the interest rate that we're supposed to base the  
6 information off of.

7 THE COURT: Yeah, I understand that. But I see  
8 1.24063 percent. What is that?

9 THE WITNESS: I apologize, Your Honor. I don't see  
10 what you're looking at.

11 THE COURT: In the box headed London Interbank Offered  
12 Rate or LIBOR --

13 THE WITNESS: Okay.

14 THE COURT: There's a one-month, three-month, six-  
15 month and one-year.

16 THE WITNESS: Yes.

17 THE COURT: Okay. And you were supposed to use the  
18 six-month?

19 MS. THOMPSON: Yes, sir.

20 THE COURT: And what does it show as the sixth month?

21 THE WITNESS: It shows as 3.24063.

22 THE COURT: That's what I was having difficulty  
23 reading.

24 THE WITNESS: Okay.

25 THE COURT: I see. 3.2 --

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1 THE WITNESS: It is fuzzy. It's somewhat difficult to  
2 read.

3 MR. WISHNEW: 3.24063.

4 THE COURT: Okay, I see it. I'm sorry.

5 THE WITNESS: Okay.

6 THE COURT: Go ahead. Go ahead, Mr. Wishnew.

7 MR. WISHNEW: We'd like to introduce Exhibit BT-5 into  
8 evidence, Your Honor.

9 THE COURT: BT-5 is in evidence.

10 (Wall Street Journal excerpt was hereby received into evidence  
11 as BT's Exhibit 5, as of this date.)

12 MR. WISHNEW: Thank you, Your Honor.

13 BY MR. WISHNEW:

14 Q. Turning back to Exhibit BT-4, the interest rate provided  
15 in the first rate adjustment letter, what did you indicate that  
16 that rate was, Ms. Lathrop?

17 A. The total interest rate was being adjusted to six percent.

18 Q. Okay. And how is the six percent calculated?

19 A. What we -- what the debtors did is took the margin that  
20 was within the mortgage note of 2.75 and added that to the  
21 LIBOR that was listed in The Wall Street Journal on June 17th,  
22 as 3.24. And then we rounded that up to the nearest eighth-  
23 percent, which has brought us to 6 percent.

24 Q. Okay. So 2.75 plus 3.24 equals 5.99. Rounding to nearest  
25 eighth gets you to 6.00?

1 A. Yes.

2 Q. Got it. Thank you very much.

3 I'd like to turn your attention to BT-6. Do you recognize  
4 this document?

5 A. Yes.

6 Q. Okay. And could you generally describe this document?

7 A. This is the amortization schedule.

8 Q. Okay. And what is this amortization schedule based on?

9 Is there a certain --

10 MR. WISHNEW: Let me rephrase.

11 Q. Is this amortization schedule based on certain outstanding  
12 principal amounts?

13 A. This is based on a total unpaid principal balance of  
14 \$196,957.78.

15 Q. Okay. And what was -- if I could turn your attention back  
16 to BT-4 momentarily, what was the principal balance after the  
17 August 1st, 2008 payment, for the Thompsons' loan?

18 A. The projected principal balance was \$196,957.78.

19 Q. Okay. And what is the payment listed on the amortization  
20 schedule?

21 A. That payment listed under the amortization schedule was  
22 \$1,228.99.

23 Q. Okay. And where did this amortization schedule come from?

24 A. This came from myAmortizationChart.com.

25 Q. Okay.

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1 MR. WISHNEW: Your Honor, I'd like to introduce the  
2 second amortization schedule marked as BT-6 into evidence.

3 THE COURT: In evidence. It's in evidence.

4 (Second amortization schedule was hereby received into evidence  
5 as BT's Exhibit 6, as of this date.)

6 MR. WISHNEW: Thank you, Your Honor.

7 MS. E. THOMPSON: Your Honor, can I ask a question  
8 real quick?

9 THE COURT: No. Well, yes. Sure, go ahead. Ask your  
10 question.

11 MS. E. THOMPSON: You calculated everything on the  
12 Internet?

13 THE COURT: Did you calculate --

14 MS. E. THOMPSON: On the Web site? Was it done on the  
15 Web or was it done by hand?

16 THE WITNESS: The -- the amortization schedule used  
17 was pulled from the Internet, because in order to calculate how  
18 the interest rate would affect the principal, we would use a  
19 calculator of this nature to do that.

20 THE COURT: Okay.

21 MS. E. THOMPSON: No, I understand. I have an  
22 engineering degree. What my question is, I don't understand  
23 how that is allowed but a forensic audit is not allowed from a  
24 third party?

25 THE COURT: Because I've got a witness testifying from

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1 the stand --

2 MS. E. THOMPSON: It had no --

3 THE COURT: Ms. Thompson, if you've got an objection  
4 to this exhibit, raise your objection to this exhibit. I don't  
5 want to hear about your forensic --

6 MS. E. THOMPSON: I object to the exhibit. I object  
7 to the exhibit.

8 THE COURT: Overruled. It's in evidence.

9 Go ahead. Next?

10 MR. WISHNEW: Thank you, Your Honor.

11 BY MR. WISHNEW:

12 Q. Ms. Thompson --

13 MS. E. THOMPSON: Why is it overruled? I don't  
14 understand. I'm sorry, but I --

15 THE COURT: Ms. Thompson, once I rule -- once I rule,  
16 Ms. Thompson --

17 MS. E. THOMPSON: I don't understand why a forensic  
18 audit is not allowed.

19 THE COURT: Ms. Thompson --

20 MS. E. THOMPSON: That seems completely wrong.

21 THE COURT: Ms. Thompson, once I rule, you remain  
22 silent. Okay? Do you have a witness in the courtroom to offer  
23 a forensic accounting report? I don't see anybody here.  
24 You've never had one here before.

25 MS. E. THOMPSON: I was informed that the forensic

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1 audit was going to be -- wasn't good enough. I was just told  
2 on the phone. If I would've been told back in November and  
3 back in September that the forensic audit that I sent was not  
4 allowed because I needed a witness here, I would have had a  
5 witness there.

6 THE COURT: Okay. Your objection is overruled.

7 Continue.

8 I don't want to hear anything else from you at this  
9 point, Ms. Thompson. You'll have your chance.

10 Go ahead, Mr. Wishnew.

11 MR. WISHNEW: Thank you, Your Honor.

12 BY MR. WISHNEW:

13 Q. Ms. Lathrop, if I could ask you to turn to Exhibit BT-7?  
14 Do you recognize this document?

15 A. Yes.

16 Q. Okay. And what is this document?

17 A. This is the interest rate change from -- that was sent out  
18 December 26th, 2008.

19 Q. Okay. And was this document maintained in GMAC Mortgage's  
20 systems of records?

21 A. Yes. This is also maintained in our Xnet system.

22 Q. Okay. And as with the prior rate change letter, was this  
23 a record maintained in the ordinary course of GMAC Mortgage's  
24 business?

25 A. Yes.

1 Q. Okay. And what information is contained in this letter?

2 A. This is very similar to the last letter. It shows the  
3 previous index value and the current interest rate on the loan,  
4 as well as what the new index value is and what the interest  
5 rate's adjusting to.

6 Q. Okay. And what was the existing interest rate, at that  
7 point in time?

8 A. The interest rate at the time of the change was a total of  
9 six percent.

10 Q. And what did it change to?

11 A. It changed to point -- it changed to 5.99 percent.

12 Q. Okay, thank you.

13 THE COURT: So what you're saying is that on --  
14 effective March 1st, 2009, the interest rate was reduced from 6  
15 percent to 5.99 percent?

16 THE WITNESS: Yes, Your Honor.

17 THE COURT: And the payment was reduced -- the monthly  
18 payment became \$1,227.77?

19 THE WITNESS: Yes, Your Honor.

20 THE COURT: Go ahead, Mr. Wishnew.

21 Q. And was this rate change letter sent to Ms. Thompson?

22 A. Yes.

23 Q. Okay. And can you point me to where in the servicing  
24 notes that is reflected?

25 A. Yeah. Give me one moment.

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1 On page 131 of 162, it's dated December 26, 2008. The  
2 entry states: "Sent manual ARM adjustment letter," under Diane  
3 Kohrs.

4 Q. Okay.

5 A. It's about the middle of the page.

6 MR. WISHNEW: I think it's thirteen or fourteen lines  
7 from the top, Your Honor.

8 THE COURT: Okay. Go ahead.

9 MR. WISHNEW: Okay. Your Honor, I'd like to introduce  
10 Exhibit BT-7 into evidence.

11 THE COURT: BT-7 is in evidence.

12 (Rate change letter was hereby received into evidence as BT's  
13 Exhibit 7, as of this date.)

14 MR. WISHNEW: Thank you.

15 Q. And Ms. Lathrop, just to confirm, was -- what was the  
16 lowest rate provided for in Ms. Thompson's note?

17 A. Under section 4 of the note, it states that the floor of  
18 that would be 5.99 percent.

19 Q. Okay. If I could ask you to take a look at Exhibit BT-8?  
20 Do you recognize this document?

21 A. Yes.

22 Q. And what is this document?

23 A. This is the interest rate change letter sent June 24th,  
24 2009.

25 Q. Okay. And this would be for the payments -- this would be

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1 effective with the September 1st payment, correct?

2 A. Yes.

3 Q. Okay. And was the interest rate scheduled to change?

4 A. No, the interest rate itself was going to remain the same.

5 Q. Okay. And was this maintained in GMAC Mortgage's systems  
6 of record?

7 A. Yes.

8 Q. Okay. And was this letter sent to the Thompsons?

9 A. Yes, it was.

10 Q. Okay. And can you point me to where in the servicing  
11 notes that's reflected?

12 A. Just give me one moment to find it.

13 It's listed on page 127 of 162, dated June 24th, 2009:  
14 "Sent manual ARM adjustment letter." It's probably eight lines  
15 down from the top of the page.

16 Q. Right. And the user name is Diane Kohrs, K-O-H-R-S?

17 A. Yes.

18 Q. Okay. Thank you very much.

19 MR. WISHNEW: Your Honor, I'd like to introduce BT-8  
20 into evidence.

21 THE COURT: All right. It's in evidence.

22 (Rate change letter was hereby received into evidence as BT's  
23 Exhibit 8, as of this date.)

24 MR. WISHNEW: Thank you.

25 Q. If I could ask you, Ms. Lathrop, to turn to Exhibit BT-9?

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1 THE COURT: Ms. Thompson, please be quiet.

2 Q. Do you recognize this document?

3 A. I do.

4 Q. Okay. And what is this document?

5 A. This is the interest rate change letter sent December  
6 24th, 2009.

7 Q. Okay. And have you -- this is addressed to the Thompsons.

8 Was this document also maintained in GMAC's business records?

9 A. Yes. This is also housed in Xnet.

10 Q. Okay. And according to the terms of this letter, was the  
11 interest rate scheduled to change?

12 A. No. It shows the new interest rate and the current  
13 interest rate as the same.

14 Q. Which is?

15 A. 5.99 percent.

16 Q. Okay. And was this letter sent to the Thompsons?

17 A. Yes.

18 Q. And when was it sent?

19 A. According to the note it was issued on the 24th of  
20 December 2009.

21 Q. Okay. And what page of the servicing notes is that  
22 referenced on?

23 A. Just one second. On -- on page 126 of 162, it shows ARM  
24 notice created on December 25th, 2009.

25 Q. Okay. That's approximately twelve lines from the top, Ms.

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1 Lathrop?

2 A. Yes, that's about right.

3 Q. Okay. Thank you very much.

4 MR. WISHNEW: Your Honor, I'd like to introduce  
5 Exhibit BT-9 into evidence.

6 THE COURT: All right, it's in evidence.

7 (Rate change letter was hereby received into evidence as BT's  
8 Exhibit 9, as of this date.)

9 MR. WISHNEW: Thank you.

10 Q. Ms. Lathrop, if I could ask you to turn to Exhibit BT-10?  
11 Do you recognize this document?

12 A. Yes.

13 Q. And is this also an interest rate adjustment letter?

14 A. Yes, it is.

15 Q. And was this document maintained like the others in GMAC's  
16 business records?

17 A. Yes, it was.

18 Q. Okay. And was the interest rate on the Thompsons' loan  
19 scheduled to change according to this letter?

20 A. No, it was remaining the same.

21 Q. Okay. And was this notice mailed to the Thompsons?

22 A. Yes, it was.

23 Q. And do you know when it was -- approximately when it was  
24 mailed?

25 A. The date on the letter is June 23rd, 2010.

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1 Q. Okay. And is the mailing of this letter reflected in the  
2 servicing notes?

3 A. Yes, it would have been.

4 Q. Could you point me to where in the servicing notes,  
5 please?

6 A. Just give me one moment to get to the page.

7 It's noted on page 119 of 162, just above the middle of  
8 the page on June 24th, 2010: "ARM change notice created."  
9 It's a system ID note.

10 Q. Okay, thank you very much.

11 MR. WISHNEW: Your Honor, I'd like to introduce  
12 Exhibit BT-10 into evidence.

13 THE COURT: All right, it's in evidence.

14 (Rate change letter was hereby received into evidence as BT's  
15 Exhibit 10, as of this date.)

16 MR. WISHNEW: Thank you.

17 Q. Ms. Lathrop, if I could turn your attention to Exhibit  
18 BT-11? Do you recognize this document?

19 A. Yes.

20 Q. And what is this document?

21 A. This is another interest rate change.

22 Q. Okay. And when is this dated?

23 A. December 24th, 2010.

24 Q. And according to this letter, is the interest rate  
25 scheduled to change?

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1 A. No. It remained the same.

2 Q. Okay. And as with the other letters, was it sent to the  
3 borrowers?

4 A. Yes.

5 Q. And was it also maintained in the company's books and  
6 records?

7 A. Yes. It would have been in Xnet, and it also would have  
8 been documented.

9 Q. Okay. And when, approximately, was it sent to the  
10 borrowers?

11 A. The -- the note on the letter states December 24th, 2010.

12 Q. Okay. If I could ask you to turn back, again, to the  
13 servicing notes and just identify where in the servicing notes  
14 the mail is reflected?

15 A. Just one moment. According to the note on page 106 of  
16 162, it's dated December 27th, 2010, and reads: "ARM change  
17 notice created letter." It's a system ID just above the middle  
18 of the page.

19 Q. Thank you very much.

20 MR. WISHNEW: Your Honor, I'd like to introduce  
21 Exhibit BT-11 into evidence.

22 THE COURT: All right. It's in evidence.

23 (Rate change letter was hereby received into evidence as BT's  
24 Exhibit 11, as of this date.)

25 MR. WISHNEW: Thank you.

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1 Q. Ms. Lathrop, if I could take you -- ask you to look at  
2 BT-12? Do you recognize this document?

3 A. Yes, it's another interest rate change letter.

4 Q. And when is this document dated?

5 A. June 23rd, 2011.

6 Q. Okay. And was this maintained in GMAC's systems and  
7 records?

8 A. Yes.

9 Q. And according to this letter, did the interest rate  
10 change?

11 A. No, it remained at 5.99.

12 Q. Okay. And would this letter have been mailed to the  
13 Thompsons, like the other letters?

14 A. Yes.

15 Q. Okay. And approximately when was it mailed?

16 A. It would have been right around that June 23rd, 2011 date.

17 Q. Okay. If I could ask you to just turn back briefly to the  
18 servicing notes and identify where in the servicing notes it's  
19 reflected?

20 A. It's noted on June 24th, 2011, page 95 of 162.

21 THE COURT: Give me that --

22 A. It just says --

23 THE COURT: -- just give me that page again?

24 THE WITNESS: Yeah, it's 95.

25 THE COURT: Thank you.

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1 A. And it's probably about eight lines up from the bottom of  
2 the page.

3 Q. Thank you very much.

4 MR. WISHNEW: Your Honor, I'd like to introduce  
5 Exhibit BT-12 into evidence.

6 THE COURT: All right, it's in evidence.

7 (Rate change letter was hereby received into evidence as BT's  
8 Exhibit 12, as of this date.)

9 Q. Ms. Lathrop, if I could turn your attention to Exhibit  
10 BT-13? Do you recognize this document?

11 A. Yes.

12 Q. And what is this document?

13 A. This is an interest rate change letter sent December 26,  
14 2011.

15 Q. And according to this letter, was the interest rate  
16 scheduled to change?

17 A. No, it remained at 5.99.

18 Q. Okay. And was this document maintained in GMAC's systems  
19 and records?

20 A. Yes.

21 Q. And was this letter mailed to the Thompsons?

22 A. Yes, it would have been.

23 Q. Okay. Could you point me to the point in the servicing  
24 notes that reflects the mailing to the Thompsons?

25 A. Yeah, just one second to get to that page.

1 Q. Of course.

2 A. It's recorded on page 81 of 162, noted on December 27th,  
3 2011: "ARM change notice letter created." It's a system ID in  
4 the bottom, probably, fourth of the page, or so.

5 Q. Approximately ten lines or so from the bottom of the page?

6 A. That's about right.

7 Q. Okay, thank you very much.

8 MR. WISHNEW: Your Honor, I'd like to introduce BT-13  
9 into evidence.

10 THE COURT: It's in evidence.

11 (Rate change letter was hereby received into evidence as BT's  
12 Exhibit 13, as of this date.)

13 Q. Ms. Lathrop if I could ask you to turn your attention to  
14 BT-14? Do you recognize this document?

15 A. Yes.

16 Q. What is this document?

17 A. This is an interest rate change letter that was issued on  
18 June 25th, 2012.

19 Q. Okay. And according to this letter, did the interest rate  
20 change?

21 A. No, it remained at 5.99.

22 Q. Okay. And was this letter maintained in GMAC's business  
23 records?

24 A. Yes.

25 Q. Okay. And was this letter also sent to the borrowers?

1 A. Yes, it would have been.

2 Q. Okay. Can you point me to the point in the servicing  
3 notes where it's reflected?

4 A. Yep. Just another second.

5 It's recorded on page 64 of 162. It is noted on June  
6 22nd, 2012, almost right in the middle of the page. It reads:  
7 "ARM change notice scheduled for June 25th, 2012."

8 Q. Thank you.

9 MR. WISHNEW: Your Honor, I'd like to introduce  
10 Exhibit BT-14 into evidence.

11 THE COURT: All right, it's in evidence.

12 (Rate change letter was hereby received into evidence as BT's  
13 Exhibit 14, as of this date.)

14 MR. WISHNEW: Thank you.

15 Q. Ms. Lathrop, if I could ask to turn your attention to  
16 BT-15? Do you recognize this document?

17 A. Yes.

18 Q. And what is this document?

19 A. This is an ARM -- excuse me -- an interest rate change  
20 letter dated December 24th, 2012.

21 Q. Okay. And according to this letter, did the interest rate  
22 change?

23 A. No, it remained at 5.99.

24 Q. Okay. And was this document maintained in GMAC's business  
25 records?

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1 A. Yes.

2 Q. Okay. And was this letter -- would this letter have also  
3 been sent to the Thompsons?

4 A. Yes, it would've been.

5 Q. Okay. And is the mailing of the letter reflected in the  
6 company's servicing notes?

7 A. I believe it is.

8 Q. Okay. If I could ask you to just identify where?

9 A. It's on page 53 of 162, dated December 25th, 2012, and  
10 reads: "ARM change notice, created letter," and it has a  
11 system ID, approximately in the middle of the page.

12 Q. Thank you very much.

13 MR. WISHNEW: Your Honor, I'd like to introduce  
14 Exhibit BT-15 into evidence.

15 THE COURT: All right, it's in evidence.

16 (Rate change letter was hereby received into evidence as BT's  
17 Exhibit 15, as of this date.)

18 MR. WISHNEW: Thank you very much.

19 Q. Ms. Lathrop, based on the rate change letters we just went  
20 through, is it your understanding that the monthly payment the  
21 Thompsons were required to make was calculated using either an  
22 interest rate of 5.99 percent or 6.00 percent?

23 A. Depending on the time of the loan, yes.

24 Q. Okay. To the best of your knowledge, is there anything in  
25 the debtors' books and records to indicate that an interest

1 rate higher than the rate reflected in the rate change letters  
2 was charged to the Thompsons?

3 A. No.

4 Q. Okay. Based on your review of the loan documents and the  
5 rate change letters, do you believe GMAC Mortgage properly  
6 calculated, applied, and charged interest on the Thompsons'  
7 loan, between August 1st, 2008 and the time GMAC Mortgage  
8 transferred servicing of the loan?

9 A. Yes, sir.

10 MR. WISHNEW: Your Honor, I have no more questions for  
11 Ms. Lathrop.

12 THE COURT: All right. You want to cross-examine?

13 MS. THOMPSON: Yes.

14 THE COURT: Go ahead.

15 MS. E. THOMPSON: I wanted to know if I can bring a  
16 rebuttal witness?

17 THE COURT: No, you can't. This is the trial. Now is  
18 the time.

19 MS. E. THOMPSON: But that's my --

20 THE COURT: Ms. Thompson --

21 MS. E. THOMPSON: -- you did not inform me that you  
22 were not accepting that as evidence. And I had turned that  
23 evidence in early last year.

24 THE COURT: Ms. Thompson --

25 MS. E. THOMPSON: And I was never told that --

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1 THE COURT: -- Ms. Thompson --

2 MS. E. THOMPSON: -- forensic audit was not accepted.

3 THE COURT: Ms. Thompson, do you wish to cross-examine  
4 Ms. Lathrop? That's the only thing that's proper to do at this  
5 point. If you have questions for her about her testimony, you  
6 can do that now.

7 MS. E. THOMPSON: Okay.

8 CROSS-EXAMINATION

9 BY MS. THOMPSON:

10 Q. I have a question. What -- how long do you have to record  
11 a mortgage?

12 THE COURT: Ms. Thompson, the only issue that this  
13 hearing relates to is whether you were properly --

14 MS. E. THOMPSON: I understand --

15 THE COURT: -- stop. Do not interrupt me. Do not  
16 interrupt me. You should be in this courtroom today, and  
17 you're not. Okay?

18 MS. E. THOMPSON: Listen --

19 THE COURT: Listen to me. Ms. --

20 MS. E. THOMPSON: No, no, no. I'm disabled. I am  
21 disabled. That goes for -- where you are. If you're telling  
22 me that I'm supposed to go through two-and-a-half feet of snow  
23 to try to get there in a wheelchair, that is being insensitive  
24 and respectfully wrong.

25 THE COURT: Ms. Thompson, I'm giving you a chance to

1 cross-examine --

2 MS. E. THOMPSON: Where -- I need to file a complaint.

3 THE COURT: I am giving you a chance to cross-examine  
4 this witness.

5 MS. E. THOMPSON: No, you're not. You're yelling at  
6 me. You're yelling at me and telling me that I should have run  
7 through the snow, where I have two braces in my legs. I have  
8 braces in my back.

9 THE COURT: Ms. Thompson.

10 MS. E. THOMPSON: I cannot do the snow.

11 THE COURT: Ms. Thompson.

12 MS. E. THOMPSON: Okay. And for you to sit there and  
13 you saw me -- for you to sit there and saying I can travel  
14 through that snow --

15 THE COURT: Ms. Thompson.

16 MS. E. THOMPSON: -- it's just insensitive.

17 THE COURT: Ms. Thompson.

18 MS. E. THOMPSON: It's very insensitive.

19 THE COURT: If you wish to cross-examine Ms. Lathrop  
20 about the interest rate you were charged on the loan, that has  
21 been the testimony, that's the subject of the exhibits that  
22 were introduced into evidence. If you have questions for her  
23 in cross-examination about the evidence she's given in court,  
24 I'm permitting you to examine her.

25 You have to confine your questions to the subject

1 that's relevant to this hearing, which is the interest rate you  
2 were charged and her testimony. Go ahead and ask her your  
3 questions.

4 BY MS. E. THOMPSON:

5 Q. My question is, how reliable is the Web site that you used  
6 to calculate the loan? Because I went through a private  
7 lender. Now, I'm going to have to appeal this case, because  
8 I'm sorry, but I don't understand how you came up with one  
9 number and they came up with another. I will have to calculate  
10 that myself, because I need an itemized copy, then. Did you  
11 itemize it and have a -- into evidence, the calculations?

12 A. According to the amortization chart that we used, we  
13 specifically took your -- your loan information as far as your  
14 unpaid interest and then the terms of the loan and used the  
15 calculator to determine what the payment would be, just as they  
16 would have at -- at any time of origination. So it -- it would  
17 be very accurate to what you would receive from any originator  
18 or anyone in the mortgage industry.

19 THE COURT: Ms. Lathrop, let me make sure I  
20 understand.

21 Q. Well, what I have --

22 THE COURT: Stop for a second, Ms. Thompson. Stop.  
23 Listen.

24 You used the amortization chart to calculate that for  
25 one six-month period, her principal and interest payment rose

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1 from \$1,227.77 to \$1,228.98. That's the purpose for which you  
2 used it?

3 THE WITNESS: Yeah, just to ensure that that 0.1  
4 percent change in interest was accurately recorded.

5 THE COURT: Okay. So for one six-month period, the  
6 Thompsons' monthly mortgage payment rose \$1.21?

7 THE WITNESS: Yes.

8 THE COURT: And after that one six-month period, that  
9 was the only six-month period in which the rate rose from 5.99  
10 percent to 6 percent. Is that correct?

11 THE WITNESS: Yes. The remaining amount it was 5.99.

12 THE COURT: And then after that --

13 MS. E. THOMPSON: No, excuse me.

14 THE COURT: Just a second.

15 MS. E. THOMPSON: I have --

16 THE COURT: Just a second.

17 And then after that, her interest rate declined to  
18 5.99 percent?

19 THE WITNESS: Yes, Your Honor.

20 THE COURT: Go ahead and ask your questions, Ms.  
21 Thompson.

22 BY MS. E. THOMPSON:

23 Q. In February was the only month that it went up to 6  
24 percent, and then the next day we received a letter saying it  
25 was back to 5.99 percent. So it was only 6 percent for like a

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1 month.

2 THE COURT: For how long was --

3 Q. And so -- excuse me?

4 THE COURT: No, go ahead, Ms. Thompson.

5 Q. And it also stated on the -- on the -- because I have the  
6 same letters that he put into evidence. Those are all stated  
7 on the -- on the letters. During the same month, in February,  
8 it went to 5.99. Then it went up to 6, and then the next day  
9 we received a letter saying it was back to 5.99.

10 I just wish I would have an itemized copy of the  
11 calculations that you made.

12 THE COURT: That's what the evidence that's just been  
13 introduced shows, and you were sent a copy of the exhibits  
14 and --

15 MS. E. THOMPSON: No, I --

16 THE COURT: -- you've acknowledged that you --

17 MS. E. THOMPSON: -- looked at the evidence, and there  
18 is nothing --

19 THE COURT: -- you acknowledged that you have a copy  
20 of the change letters.

21 MS. E. THOMPSON: -- itemized here involving interest  
22 rates. There's nothing itemized there about the interest rate.  
23 There's absolutely nothing itemized.

24 THE COURT: Okay. Ask her --

25 MS. E. THOMPSON: She did it from a computer.

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1 THE COURT: -- if you have questions, go ahead and ask  
2 your questions.

3 Q. What -- is the Web site that you used reliable?

4 MR. WISHNEW: Asked --

5 A. I believe it is.

6 THE COURT: Why do you believe it's reliable?

7 Q. You believe it is. Did you check the Web site?

8 A. It's a Web site that I've -- I have used on many occasions  
9 in reviewing loans similar to this, and it matches the  
10 amortization schedules that I've looked at.

11 Q. Okay. Why don't you -- what is the Web site? Can you  
12 give me the Web site?

13 A. It's [www.myAmortizationChart.com](http://www.myAmortizationChart.com).

14 Q. My what?

15 A. MyAmortizationChart.

16 Q. My ammo? Spell that? I didn't understand what you said.

17 THE COURT: Spell it for her slowly.

18 MR. WISHNEW: Spell it out.

19 THE WITNESS: It's spelled as: M as in Mary, Y-A-M as  
20 in Mary, O-R as in Robert, T-I-Z as in zebra, A-T-I-O-N as in  
21 Nancy, C-H-A-R as in Robert, T, dot.com.

22 Q. Wow, okay. So you don't know the reputation of the -- of  
23 the Web site you used?

24 MS. E. THOMPSON: I don't understand how that can go  
25 into evidence when you used it -- we're talking about -- you

1 didn't do it by hand, and it was done through a computer. The  
2 computer, the program can have errors in the program.

3 THE COURT: Ask your questions, Ms. Thompson.

4 Q. My question is, do you know if the Web site is reliable?

5 A. I believe it --

6 Q. Did you check the Web site before you used it?

7 MR. WISHNEW: Objection, Your Honor. Asked and  
8 answered.

9 THE COURT: Overruled. Go ahead and answer the  
10 question.

11 A. I believe it to be reliable just based on I've compared it  
12 to other Web sites --

13 Q. No, I'm not saying --

14 THE COURT: Don't interrupt her when she's -- Ms.  
15 Thompson, don't interrupt her when she's answering a question.

16 For how long have you used this Web site?

17 THE WITNESS: Approximately a year.

18 THE COURT: Okay. Ask your next question.

19 Q. My question is did you check the --

20 MS. E. THOMPSON: She didn't answer my question.

21 Q. Did she check that reliability of the Web site before she  
22 used it. Because then we're talking about -- we're talking  
23 about a third party, something that was done through the  
24 system, through a program that you know nothing about, when  
25 you've only been using that for a year, and how long have you

1 been working there?

2 THE COURT: Now is the time for you to ask questions,  
3 not make arguments.

4 MS. E. THOMPSON: I'm not making arguments, I'm asking  
5 a question. I know you have problems with my disability, and  
6 you're upset that I am not there, but you have to let me ask  
7 the questions, because just like you have demanded respect, so  
8 do I. And I'm sorry that I'm disabled and ill, and couldn't  
9 get through the weather. Okay?

10 THE COURT: Ask your --

11 MS. E. THOMPSON: I'm not going to break my back and  
12 end up in the hospital again after two months. That's --

13 THE COURT: Ask your next --

14 MS. E. THOMPSON: -- not going to happen.

15 THE COURT: Ask your next question, Ms. Thompson.

16 BY MS. E. THOMPSON:

17 Q. Do you have an itemized statement stating everything that  
18 was calculated?

19 THE COURT: That's what's come into evidence, Ms.  
20 Thompson. That's exactly what the --

21 MS. E. THOMPSON: I --

22 THE COURT: That's what the exhibits --

23 MS. E. THOMPSON: I don't see an itemized statement  
24 with the numbers.

25 THE COURT: That's what's just come into evidence --

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1 MS. E. THOMPSON: With the numbers --

2 THE COURT: -- Ms. Thompson. That's what they've  
3 introduced and I've admitted in evidence.

4 MS. E. THOMPSON: I didn't see that in my -- in the  
5 file that he gave me. I have everything from the articles and  
6 all the letters, but I do not have anything stating that it's  
7 an itemized --

8 THE COURT: Oh, so now, you're acknowledging you  
9 received all of the exhibits from Mr. Wishnew, are you?

10 MS. E. THOMPSON: I also -- I put -- I sent them to  
11 you -- I sent them same letters to you. My -- my issues  
12 wasn't -- wasn't the letters. See you're not -- you're not  
13 even paying attention to the case. My issue was the interest  
14 rate at 6.6554 which they several at times in the e-mail  
15 admitted that it was wrong, and now all of a sudden it's right?  
16 I have the e-mails. They admitted that it was wrong.

17 THE COURT: Ms. --

18 MS. E. THOMPSON: And now all of a sudden it's wrong.  
19 And now all of a sudden my forensic audit can't go in. And  
20 I'm -- I'm being told today, instead of being told when I  
21 turned it in, back in November -- back in September I turned  
22 that in, several times.

23 THE COURT: Ask your next question.

24 MS. E. THOMPSON: And it was never explained to --

25 THE COURT: Ask your next question.

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1 MS. E. THOMPSON: I don't have any more questions. I  
2 don't have any more questions.

3 THE COURT: Okay.

4 MS. E. THOMPSON: Because you're not going to let me  
5 answer -- you're not going to let me ask the questions. You're  
6 not letting me ask questions.

7 THE COURT: I am letting you ask questions. If you  
8 have a question --

9 MS. E. THOMPSON: No, you're not. You're being  
10 biased. You're being biased, and you're not letting me ask her  
11 the questions. So I'm done.

12 THE COURT: Do you have a question for Ms. -- do you  
13 have any questions for Ms. Lathrop?

14 I have a question for you, Ms. Lathrop. Have you seen  
15 any exhibits that GMAC charged the Thompsons 6.65 percent  
16 interest?

17 THE WITNESS: I personally have not, no.

18 THE COURT: You've reviewed the file and you didn't  
19 find any?

20 THE WITNESS: Correct.

21 THE COURT: Do you have any other questions, Mr.  
22 Wishnew?

23 MR. WISHNEW: No, Your Honor.

24 THE COURT: All right, the witness is excused.  
25 Do you have any other witnesses, Mr. Wishnew?

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1 MR. WISHNEW: No, Your Honor.

2 THE COURT: Ms. Thompson do you have any witnesses to  
3 put on?

4 MS. E. THOMPSON: I'm done. I'm filing an appeal.  
5 I'm done.

6 THE COURT: Do you have any --

7 MS. E. THOMPSON: I'm filing an appeal and a  
8 complaint.

9 THE COURT: If you wish to test --

10 MS. E. THOMPSON: I'm filing a complaint and appeal.

11 THE COURT: If you wish to --

12 MS. E. THOMPSON: Because you have treated me very  
13 poorly over the phone. You have yelled at me and treated me  
14 like I'm your child. And I'm sorry, you -- Your Honor, you  
15 deserve respect, but you -- you're also supposed to give  
16 respect. And those comments that I'm supposed to travel in the  
17 snow because somebody -- because the witness flew in, I'm  
18 sorry, that I'm sick, but I'm not going to break my back. I  
19 was already in the hospital for falling in the snow for two  
20 months, learning how to walk again.

21 THE COURT: If you --

22 MS. E. THOMPSON: And I'm not going through that  
23 because you feel that since everybody else that's not disabled  
24 was there, you're being biased. You don't care what I say and  
25 what I do, you already have everything set in mind.

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1 THE COURT: Ms. Thompson.

2 MS. E. THOMPSON: You're eliminating that now, because  
3 you should have eliminated it back in June, when you wrote  
4 that -- the objection. You overruled the thing.

5 THE COURT: Ms. Thompson.

6 MS. E. THOMPSON: So you're not listening or attending  
7 anything I say.

8 THE COURT: Ms. Thompson.

9 MS. E. THOMPSON: You just took off my main evidence,  
10 and I'm just going to write an appeal.

11 THE COURT: Ms. Thompson.

12 MS. E. THOMPSON: So you already made your decision.  
13 So there's nothing I have to say.

14 THE COURT: Ms. Thompson, if you wish --

15 MS. E. THOMPSON: You already made a decision.

16 THE COURT: If you wish to testify, I will have you  
17 sworn and I will permit you to testify on the telephone now.  
18 Do you wish to testify?

19 MS. E. THOMPSON: You already made up your mind.

20 You --

21 THE COURT: Ms. Thompson.

22 MS. E. THOMPSON: -- treated me rudefully (sic) and  
23 you -- and I messed up the whole thing by being disabled. And  
24 I'm filing a complaint against that. You are biased.

25 THE COURT: Do you --

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1 MS. E. THOMPSON: And what you say is --

2 THE COURT: Do you --

3 MS. E. THOMPSON: -- extremely biased.

4 THE COURT: Ms. Thompson, I'm giving you an  
5 opportunity to testify by telephone. If you wish --

6 MS. E. THOMPSON: You -- no you're not. No, you're  
7 not. You was rude when I got on the phone, and refused the  
8 letter. It's not my fault that he sent the letter saying you  
9 could do it by the phone.

10 THE COURT: Ms. Thompson.

11 MS. E. THOMPSON: That's not my fault.

12 THE COURT: I've give --

13 MS. E. THOMPSON: Because otherwise I would have  
14 called last week. It's not my fault --

15 THE COURT: I've give --

16 MS. E. THOMPSON: -- that it snowed outside. And you  
17 don't want to hear anything I have to say.

18 THE COURT: I do.

19 MS. E. THOMPSON: You already took out all the  
20 evidence that I have.

21 THE COURT: I --

22 MS. E. THOMPSON: So you already made up your mind.

23 THE COURT: I wish --

24 MS. E. THOMPSON: You -- you already made up your  
25 mind. I'm just going to file a complaint.

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1 THE COURT: Ms. Thompson, I --

2 MS. E. THOMPSON: I'm going to file an appeal and a  
3 complaint. Because you're not -- you're being biased and you  
4 don't care what I have to say.

5 THE COURT: I want to hear your testimony. You can be  
6 sworn.

7 MS. E. THOMPSON: No, you don't. No, you don't. No,  
8 you don't.

9 THE COURT: Okay, Ms. Thompson.

10 MS. E. THOMPSON: You're being very rude and nasty.

11 THE COURT: Ms. Thompson.

12 MS. E. THOMPSON: I'm sorry, but you are being very  
13 rude and nasty. I have a severe heart condition, and you could  
14 care less.

15 THE COURT: Ms. Thompson.

16 MS. E. THOMPSON: Because you, you're expecting me to  
17 go running through the snow. And that statement at all is  
18 wrong.

19 THE COURT: If you wish to testify, you will be sworn  
20 and you will testify by telephone now. Do you wish to be sworn  
21 and give testimony?

22 MS. E. THOMPSON: You already made up your mind.

23 THE COURT: I'm giving you the opportunity --

24 MS. E. THOMPSON: It doesn't matter what I say, you  
25 already made up your mind.

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1 THE COURT: I'm giving you --

2 MS. E. THOMPSON: So I'll be waiting for the appeal.

3 THE COURT: I am giving you the opportunity now. You  
4 have the opportunity --

5 MS. E. THOMPSON: No, you're not. No, you're not.

6 THE COURT: -- to offer testimony --

7 MS. E. THOMPSON: No, you're --

8 THE COURT: -- under oath. If you wish to testify --

9 MS. E. THOMPSON: Talk to yourself. You're biased.

10 THE COURT: -- say so and you will be sworn and you  
11 will be given --

12 MS. E. THOMPSON: No -- okay.

13 THE COURT: -- Ms. Thompson, do you wish to --

14 MS. E. THOMPSON: I'm filing a complaint. You are --  
15 you are biased today and that was extremely wrong. I'm filing  
16 a complaint.

17 THE COURT: I'm giving you the opportunity now to  
18 testify --

19 MS. E. THOMPSON: No, you're not. No, you're not.

20 THE COURT: -- under oath.

21 MS. E. THOMPSON: No, you're not.

22 THE COURT: By telephone.

23 MS. E. THOMPSON: No, you're not. You didn't listen  
24 to anything I had to say.

25 THE COURT: Do you wish --

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1 MS. E. THOMPSON: If you did, you wouldn't have been  
2 nasty. Because I couldn't make --

3 THE COURT: Do you wish --

4 MS. E. THOMPSON: -- it in the snow and everybody else  
5 did. Well, everybody else there has feet and can walk. I have  
6 to walk with braces on my legs and on my back. And in the  
7 wheelchair.

8 THE COURT: Do you wish to offer testimony now by  
9 telephone under oath? If so you will be sworn, and I will  
10 listen to your testimony.

11 MS. E. THOMPSON: Okay.

12 THE COURT: All right?

13 MS. E. THOMPSON: You can swear me in.

14 THE COURT: Give her the oath.

15 (Witness sworn)

16 THE COURT: Ms. Thompson, you have to respond.

17 MS. E. THOMPSON: I'm sorry, yes. I -- I'll tell the  
18 truth, the whole truth, and nothing but the truth.

19 THE COURT: Okay, go ahead and testify.

20 DIRECT NARRATIVE TESTIMONY

21 BY MS. E. THOMPSON:

22 THE WITNESS: Okay. I am -- I don't think that  
23 computer -- the Internet that you used is correct. I think the  
24 whole thing is wrong. I received a lot of e-mails where they  
25 agreed that it was wrong and tried to do a settlement. And now

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1 in the trial, here comes the witness saying that it's wrong.

2 I'm sorry, but I have -- I have ten years of  
3 experience at -- I have a bachelor's in engineering --  
4 electrical engineering. Math is my -- is my everyday thing.  
5 Okay? And I think the math on that -- on this -- on the  
6 mortgage is wrong. It's completely wrong. That's why it  
7 wasn't recorded the first time that it was supposed to be  
8 recorded, because all the papers were not sent, and it violated  
9 six New Jersey regulations. That all violated six violations  
10 from the State of New Jersey, alone, besides the interest rate.

11 And I think it is at 6.654. And I'm going to have to  
12 file an appeal, because I'm going to have to bring the person  
13 in and show that they -- that they were completely wrong.

14 And with all her experience and all her college  
15 degrees, that's fine. I have my engineering degree, and I  
16 stand by my math. I'm a student and I get 100 every time I do  
17 a math report. So I want an itemized -- not from the  
18 computer -- by hand, which was the way it was done when I  
19 received the whole mortgage.

20 I don't understand how a third party -- the mortgage  
21 forensic audit done by a third party -- that should have been  
22 notified to me from the beginning when I sent in that evidence.  
23 That evidence has been there for over a year, and now all of a  
24 sudden it's not accepted because the person's not there, when I  
25 wasn't told that I have to bring somebody in for a forensic

1 audit.

2 So this whole thing was just completely messed up.

3 Excuse me.

4 THE COURT: How much was your monthly --

5 THE WITNESS: My heart rate is going up -- my heart  
6 rate is going up and I have to take a pill. But this whole  
7 thing is completely -- is completely messed up. They know they  
8 overcharged on that loan. That loan is so messed up, it's not  
9 even funny. That's why the court here keeps rejecting it.  
10 That foreclosure, they've been filing it since 2007, and I have  
11 all the copies from the court. I even went to the court, and  
12 they said it wasn't approved because it wasn't recorded on  
13 time. Okay?

14 So to them, the mortgage doesn't exist, so they can't  
15 do anything with the house, because legally I can't refinance  
16 that loan, because I already tried to refinance, and they said  
17 that if the mortgage is not registered, they cannot use it. I  
18 tried by -- buying -- my own -- which also went through the  
19 mortgage and also stated that because it's not legal tender, it  
20 cannot be used to do a refinance.

21 So that mortgage is in the air and I can't do anything  
22 about it. I'm -- today, I'm in two different courts. I'm in  
23 this court and I'm also in -- in foreclosure court, because  
24 they keep sending it in. And now, they sent it in by the -- by  
25 the president of -- let's see -- Crawford Charles (ph.), which

1 he was the vice president of GMAC until 2013, you know, until  
2 they went "bankrupt", and then now -- now he also works for  
3 Ocwen.

4 So everybody at GMAC now works in Ocwen. So I don't  
5 see how -- how to tell the difference, because it's still under  
6 Citigroup or NA Bank. It still shows as the owner. So I don't  
7 know how many owners does the loan have.

8 According to the mortgage, you can't have a third  
9 party. And as far as I know, Bank NA owns the loan. Chase is  
10 claiming the loan. And there's another third party claiming  
11 the loan besides you guys. So everybody's claiming that they  
12 own the loan, and -- and nobody is doing anything about it.

13 But I'm sorry, I think she's wrong. It is a 6.6554.  
14 That was done -- I paid over two grand to get that done, to get  
15 it done correctly, because I wanted to make sure it was  
16 correctly, because as soon as I read the loan, I knew that  
17 something was wrong. And they went over everything, detail by  
18 detail.

19 So to not have such a report in evidence that details  
20 everything, literally details -- I don't see a detailed  
21 evidence there about the finance -- the notes. My report has  
22 detailed math in it. It shows me the math. It shows correctly  
23 the lines. It shows you everything that was done.

24 I don't see -- she didn't do one like that. She just  
25 went through the computer and -- and did the shortcut, which

1 I'm sorry, but the shortcut doesn't agree with me. That's a  
2 certain -- that way theirs is a third party, because she  
3 doesn't know who made up the program, and she does not keep the  
4 legal tender. I'm sorry. That should -- if she was there to  
5 testify that whole idea that she had should have been properly  
6 documented as -- as an audit or an itemized list. There's  
7 nothing itemized in the package that was received.

8 Okay? And I am tired of hearing that the -- that  
9 they're covering it up now with their, oh, it was 5.99. That's  
10 not what they were saying in the e-mails. And then they put it  
11 under a law. I looked up the law, and it stated that -- it  
12 stated that I cannot discuss everything that was in the e-  
13 mails. But if it's -- if it's crucial to the -- to the case,  
14 then it can be included -- included, according to that law that  
15 they posted themselves in the e-mail that they sent me.

16 So I don't know how you can have one face in court and  
17 another one behind Your Honor. That's just wrong. It doesn't  
18 make any sense to me.

19 So I'm sorry, but I need to bring a rebuttal witness,  
20 because she is completely wrong. She went to the computer,  
21 went to the easy way. We're not even allowed to do that in  
22 engineering. We have to write out the program so it can be  
23 seen so the details could be seen. One number, one number,  
24 interest rate, everything. Write it down.

25 The same way it was in the report, I'm sorry, but I

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1 can't accept it. That -- from my experience she should've had  
2 an itemized report like my forensic audit. My forensic audit  
3 is better than what she said. It speaks to everything. Each  
4 law that was broken, it would stick to them, and everything  
5 else -- I'm sorry -- and everything that wasn't included in the  
6 file that was supposed to be from the man that we signed that  
7 was never included.

8 So I do not agree with the interest rate, and I think  
9 I have the right to bring someone in to be heard --

10 THE COURT: What was --

11 THE WITNESS: -- for replying --

12 THE COURT: -- what -- how much were you monthly --  
13 how much were your monthly payments under this loan when you  
14 originally obtained it?

15 THE WITNESS: It was -- it never changed. It was  
16 1,227. It always stayed the same. The only month that it  
17 changed was in February. In February it went up to 6 percent  
18 and then went down to 5.99 according to them. But when I --  
19 the first time that I noticed something was wrong in 2010, when  
20 they tried to do the loan modification. And that's when I  
21 found out through our lawyer that the loan was never  
22 registered. And then they tried to register it seven years  
23 later, which the courts here are rejecting, because according  
24 to them, it was supposed to be registered immediately after the  
25 loan was -- was signed and they give you a certain amount of

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1 time to do that, not seven years.

2 You can't register a loan seven years later and then  
3 claim that you had a loan. I'm sorry. This whole thing is  
4 just unfair. Completely unfair, and it doesn't make any sense.  
5 Because if they claim that, yeah, okay, we charged that on the  
6 e-mail, but then in person they have a woman saying a totally  
7 different thing.

8 THE COURT: What e-mail are you referring to?

9 THE WITNESS: Excuse me?

10 THE COURT: What e-mail are you referring to?

11 THE WITNESS: The e-mails that I -- that they -- that  
12 ResCap sent me.

13 THE COURT: What's the date of the e-mail?

14 THE WITNESS: Okay, hold on. I'm looking them up  
15 right now. I have one -- this was from Richie Lynn (ph.) in --

16 THE COURT: What's the date --

17 THE WITNESS: -- October 2007. I have the one in  
18 September -- there's a lot of them, so give me one second. We  
19 went backwards writing back and forth.

20 (Pause)

21 THE WITNESS: We sent e-mail to -- from July when I  
22 was in the hospital, we sent e-mails back and forth. And in  
23 August 6th, it was about four e-mails. September 1st --

24 THE COURT: Ms. Thompson I have your -- I have a  
25 binder with the exhibits that you marked for this hearing. And

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1 I don't see any e-mails in them. And --

2 THE WITNESS: I didn't include the e-mails, because I  
3 thought the forensic audit proved enough that it was 6.6554.  
4 But I didn't know that the forensic audit wasn't going to be  
5 allowed into evidence.

6 THE COURT: Read --

7 THE WITNESS: When I turned in the evidence, that  
8 should've been told to me that that was not acceptable, so I  
9 could get the person that did the audit.

10 THE COURT: Read me the e-mail --

11 THE WITNESS: I also have --

12 THE COURT: Read me the e-mail. You say that there's  
13 an e-mail from October 2007.

14 THE WITNESS: Okay.

15 THE COURT: Who is it from?

16 THE WITNESS: Hold on a second. Hold on a second.

17 Sorry. Sorry, I have to go to the list of e-mails. Hold on.

18 (Pause)

19 THE WITNESS: I'm sorry. Give me one second.

20 Okay, I have an e-mail from October 23 --

21 THE COURT: 2007?

22 THE WITNESS: -- and it states -- excuse me?

23 THE COURT: From 2007?

24 THE WITNESS: No, from -- from October 23rd, 2013.

25 THE COURT: From whom?

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1 THE WITNESS: From --

2 THE COURT: GMAC wasn't servicing --

3 THE WITNESS: -- from --

4 THE COURT: -- GMAC wasn't servicing the loan then.

5 THE WITNESS: Excuse me?

6 THE COURT: GMAC wasn't servicing your loan in October  
7 2013. Who is the e-mail from?

8 THE WITNESS: From the lawyer that's in court right  
9 now.

10 THE COURT: Mr. Wishnew? Tell me what it says.

11 THE WITNESS: Pursuant to the terms of the Court's  
12 September 21st order, the Trust is required to provide the  
13 court with said letter by the close of business Wednesday  
14 concerning the disputed matter. Previously you declined the  
15 Trust's offer of 10,000 dollars for your general unsecured  
16 claim and reasserted your full claim amount, even though only  
17 one element of the claim remains unresolved, and the balance of  
18 your claim has been disallowed by the Court."

19 MR. WISHNEW: Your Honor --

20 THE COURT: What does that have to do with the proper  
21 interest rate?

22 THE WITNESS: Well, the other e-mail that I have to  
23 look for stated that they were offering me that because of the  
24 interest rate difference, that they calculated from 2005 to  
25 2013.

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1 THE COURT: Ms. Thompson, if they wanted to settle  
2 with you --

3 THE WITNESS: They added 10,000 dollars --

4 THE COURT: -- settlement talks are not relevant to  
5 what I have to decide. The issue before me --

6 THE WITNESS: This is going to the interest rate. The  
7 whole -- the whole e-mail is about the interest rate.

8 MR. WISHNEW: Your Honor, objection --

9 THE WITNESS: They offered 10,000 dollars for the  
10 interest rate difference between 2005 and 2013. It's all about  
11 the interest rate. How can you say that that's not about the  
12 interest rate?

13 MR. WISHNEW: Your Honor, objection.

14 THE COURT: All right, Mr. Wishnew, your objection is  
15 what?

16 MR. WISHNEW: My objection, Your Honor, is that I  
17 believe what Ms. Thompson's referencing is a settlement  
18 communication protected by Federal Rule of Evidence 408.

19 THE COURT: Sustained. Ms. Thompson do you have any  
20 evidence in any e-mails where you say that anyone from GMAC  
21 acknowledged that you were charged the incorrect interest rate?  
22 Not what may have been discussed as settlement. Do you have --  
23 you referred to e-mails from GMAC that indicated you were  
24 charged the wrong interest rate. Do you have such an e-mail?

25 THE WITNESS: I will find each e-mail. I will find

1 each single e-mail.

2 THE COURT: You haven't -- in your exhibits that you  
3 marked for this hearing, there are no e-mails. What you  
4 attached --

5 THE WITNESS: There are no e-mails because the  
6 forensic audit should have been good enough. That's an audit  
7 by a reputable -- reputable place. That's not by a computer  
8 program that's on the Internet that I'm just going to use to  
9 use as reference and I know nothing about the program.

10 THE COURT: Do you have any other --

11 THE WITNESS: I know everything about that audit, and  
12 I know it was a law firm in Philadelphia did everything; and it  
13 took a month.

14 THE COURT: Do you have any other testimony you wish  
15 to offer in support of your claim?

16 THE WITNESS: No, that's it.

17 THE COURT: All right.

18 THE WITNESS: That's it. I know I have to do an  
19 appeal, for --

20 THE COURT: Mr. Wishnew, do you wish to cross-examine?

21 MR. WISHNEW: No questions, Your Honor.

22 THE COURT: All right. Do you have any other evidence  
23 that you wish to offer, Ms. Thompson?

24 MS. E. THOMPSON: No, I'm going to offer them in an  
25 appeal.

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1 THE COURT: You can't offer evidence on appeal. Now  
2 is the time. Anything that you wish to introduce into evidence  
3 you --

4 MS. E. THOMPSON: I wanted to introduce the e-mails,  
5 but I have to look through them, because I was just informed  
6 today that that -- that that forensic audit wasn't good enough,  
7 that I will have to bring somebody. I should've been informed  
8 when I turned that in, back in November.

9 THE COURT: That was not an evidentiary hearing, Ms.  
10 Thompson.

11 MS. E. THOMPSON: That was in the packet. Nobody  
12 stated that that -- that that was going to be rejected or  
13 refused. And it was in several packages that I had sent to  
14 them since the forensic audit was done.

15 THE COURT: Okay, in a September 20 --

16 MS. E. THOMPSON: So I'm sorry, but --

17 THE COURT: -- in a Sep --

18 MS. E. THOMPSON: -- I think you're being biased, and  
19 you're not -- you could care less what happens in this case.

20 THE COURT: In an order --

21 MS. E. THOMPSON: Because I -- that number is not  
22 wrong. The interest rate is charging at 6.6554.

23 THE COURT: In an --

24 MS. E. THOMPSON: Just because she looked up on a  
25 program on the Internet that she knows nothing about the

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1 program, I'm supposed to accept that. I'm sorry.

2 THE COURT: In an order --

3 MS. E. THOMPSON: But I have evidence that refutes  
4 what she's saying.

5 THE COURT: All right. In an order entered on  
6 September 21, 2015, the Court provided, in paragraph number 2,  
7 the Thompsons may file and serve any response to the Trust's  
8 evidence and any evidence that the Thompsons intend to offer in  
9 support of their response on or before 5 p.m. October 21, 2015.

10 The Court will not consider --

11 MS. E. THOMPSON: And I sent it in --

12 THE COURT: -- any evidence that the Thompsons did not  
13 provide by that deadline of October 21, 2015. There are no  
14 e-mails that have been provided by the Thompsons as purported  
15 evidence in respect of the matter that remains in dispute.

16 All right. The evidence is closed. The Court will  
17 take the matter under advisement. The hearing is adjourned.

18 MS. E. THOMPSON: I'm waiting for your decision. I'm  
19 writing an appeal, and I'm reporting you for the -- to the  
20 discrimination.

21 THE COURT: We're adjourned.

22 MR. WISHNEW: Thank you for your time, Your Honor.

23 (Whereupon these proceedings were concluded at 10:32 a.m.)

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2 I N D E X

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4	WITNESS	EXAMINATION BY	PAGE
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6	Sara Lathrop	Ms. Thompson	51
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9 EXHIBITS

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15		notes and payment	
16		history	
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19		Thompson loan	
20	3	Amortization	26
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2 6                   Second                   35  
3                   amortization  
4                   schedule  
5 7                   Rate change letter 39  
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7 9                   Rate change letter 42  
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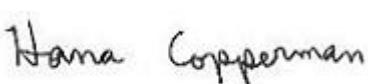
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4 I, Hana Copperman, certify that the foregoing transcript is a  
5 true and accurate record of the proceedings.

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Hana Copperman

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